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Automotive Supplier Transformation Strategies

A dynamic view



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Introduction

Climate change has given rise to a vigorous debate about reducing CO₂ emissions in the transportation sector. The political agenda is pushing development towards electrified drivetrains at an unprecedented speed. In our assessment, components of the combustion engine drivetrain account for approximately one third of the material cost of a standard volume car, and most of these components become obsolete in electric drivetrain models. As a result, a substantial share of the suppliers active in this field – 40% according to current projections – need to fast-track their transformation journey to remain viable.

COVID-19 accelerates automotive trends

Electrification and digitalization have the biggest near-term impact.

The automotive industry was already undergoing structural transformation when the COVID-19 crisis hit, with key emerging trends from drive train electrification and digitalization to vehicle connectivity, autonomous driving and car sharing. We expect the disruption caused by production

stops during the pandemic to accelerate these trends. This is due to additional financing needs of the automotive industry resulting from the COVID-19 crisis on the one hand, and the efforts to stop global warming by governments in all key automotive markets on the other.



Fig. 1: Key emerging trends and expected development until 2025

Expected development



E-Mobility/alternative powertrains

Customers and public authorities will boost demand for alternative powertrains. Besides Battery Electric Vehicles (BEV), other emission-free technologies such as fuel-cell or synthetic fuels will continue to evolve



Autonomous driving

Research & development alliances and clear liability rules are crucial – only relevant for markets that fully accept and advance the technological possibilities of autonomous driving



Digital business models

The importance of infotainment and mobility services has increased significantly for OEMs in recent years –new technologies and also likely also customer preferences will develop further



Shared mobility

Widespread car sharing offerings could have a significant negative impact on new car sales – yet the momentum of shared mobility has lost dynamic recently

Impact until 2025



>15%

>15% of all cars sold have alternative powertrains



<1%

Negligible impact of <1% on sales of (electric) vehicles expected by 2025



~20%

Infotainment and mobility services generate ~20% of OEM revenue



>23%

Shared mobility could threaten >23% of potential sales



The auto industry faces a cash drain

COVID-19 has led to production stops for weeks or even months, a disruption in global supply chains and lower sales volumes, forcing manufacturers and suppliers to take on more debt.

OEMs have secured significant expansions of their credit lines; suppliers obtained government-guaranteed loans and a number of companies face the risk of defaulting on their financial obligations now or in the future. The industry is cash-strapped.

This puts OEMs as well as suppliers in a critical spot: how can they reduce inflated debt levels on their balance sheets and also improve the cash conversion of their existing business model? It is clear that improving operational efficiency can help boost both earnings and financial leverage KPIs. To reduce debt quickly, however, they will likely have to sell parts of the business or shares in the group company itself.

Improving cash conversion at group level involves key operational efficiency measures (e.g., cost-effectiveness, low product waste rates, working capital improvement), but it also requires companies to carefully scrutinize where to invest and which plants to focus on. With often strong variations in the profitability of their projects (one reason being pricing differences), most automotive suppliers see strong deviations in the profitability of their plants as well. However, when it comes to new projects, all plants need investment and therefore cash – regardless of their performance. OEMs and suppliers will likely face tough decisions on whether to sell, restructure or close down underperforming plants. While selling is often the cheapest solution, closing may not be an option at all, given that orders often cannot be returned to the OEM or Tier-1.

The current corporate agenda

Transformation is progressing faster than expected. Reducing leverage and preparing for a new future are high on the agenda.

Market environment

We have seen demand for light vehicles grow steadily over the past decades, driven by the Chinese market in particular. 2019 figures indicated that demand was already starting to weaken for automotive light vehicles in Asia (shown in figure 2), with the pandemic further decreasing demand to a level not seen in key regions since 2012. The numbers showing an uptick in sales volume during the third quarter of 2020 support expectations of a return to higher sales numbers in 2021.

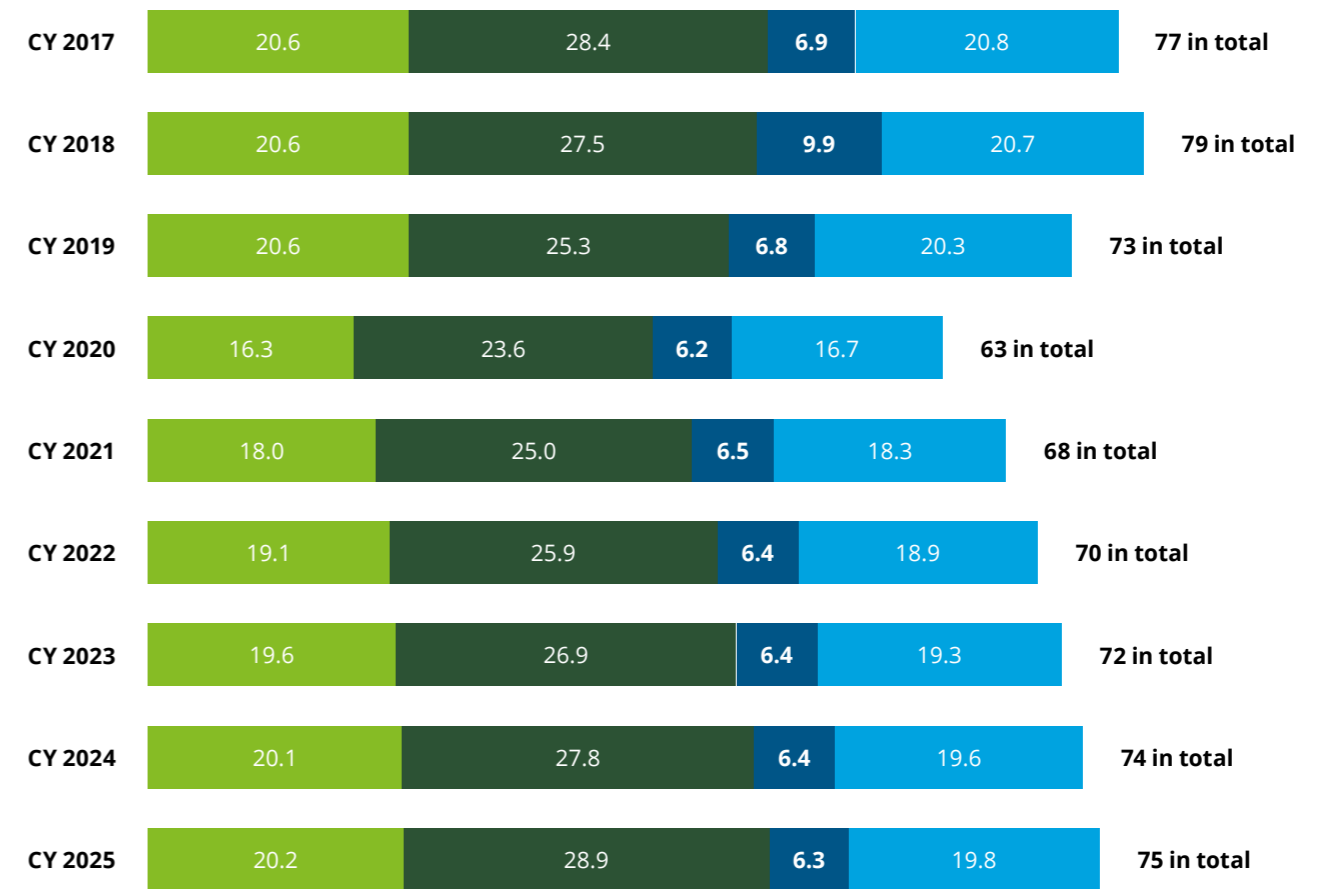
Reducing leverage

The automotive industry has always been a highly capital-intensive business. This is due to the high spend on R&D to drive innovation and the industry's history of continuous improvements and investments in new production technology. Outsourcing

capital-intensive production phases to suppliers is a key element of the partnership between OEMs and their suppliers.

Automotive suppliers with capital intensive production processes tend to use financial debt as a source of funding – the majority of suppliers therefore have leverage. Financing banks tend to keep leverage levels (Net Debt / EBITDA) of suppliers below 3.5x. In most cases, the decline in sales suppliers faced in 2020 due to the market impact of COVID-19 has led to an even greater drop in EBITDA. This caused leverage levels to shoot up in 2020. Despite the uptick in Q3 2020 sales, which eased the balance sheets of some OEMs and suppliers, leverage ratios continue to rise and often even reach a level that limits suppliers from investing into focus areas of the business.

Fig. 2: Yearly vehicle sales volumes (in million vehicles) by key region (China, Japan, Europe, North America)



- Europe
- Greater China
- Japan/Korea
- North America

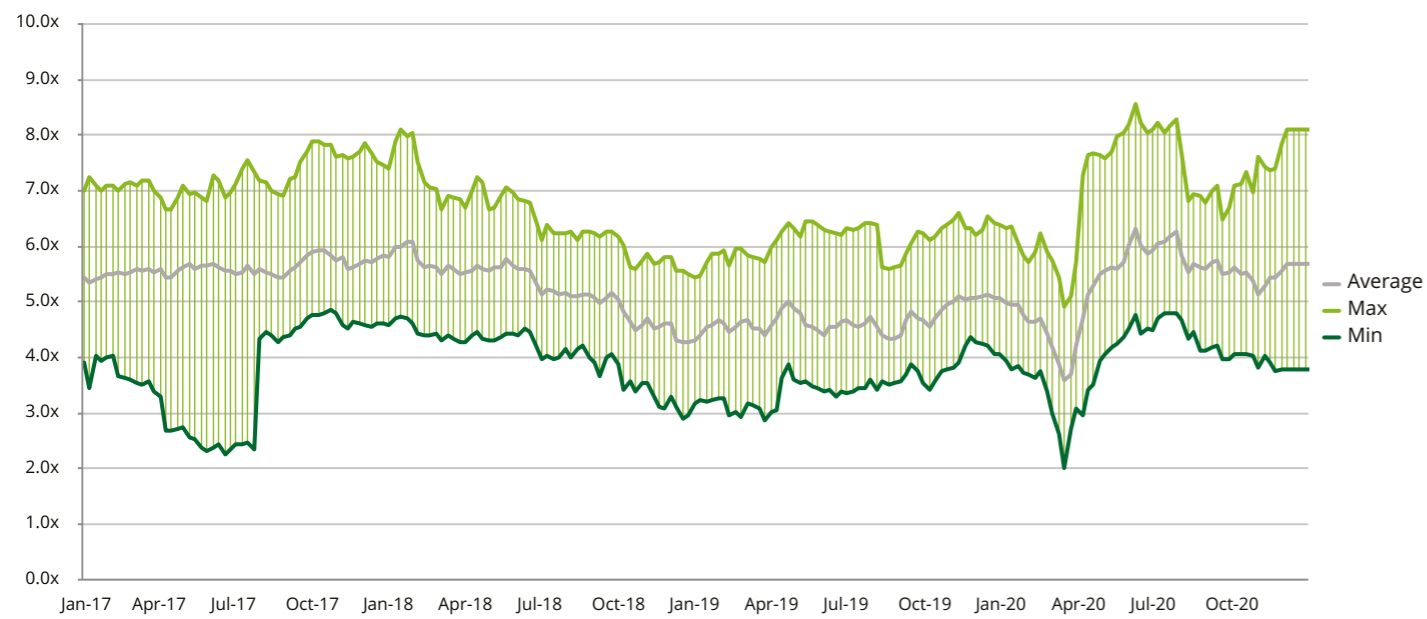
Source: IHS

Improving operational efficiency is unable to sufficiently reduce the leverage in many cases, which puts generating cash from divestments on the corporate agenda. Consider the chart below showing EV/EBITDA valuations of a peer group of European automotive suppliers. It indicates that automotive suppliers tend to trade in a certain valuation range or bandwidth, which has fallen from 2017 to 2019 levels as investors start to see the transformation in the automotive industry as a more realistic proposition. The volatility in valuations in 2020 is caused by a sharp decline in EBITDA in 2020, and although valuations of automotive supplier businesses have fallen since 2017, we think industry levels are still fairly stable in light of the challenges that transformation will bring.

The transformation of the industry creates product segments with high growth potential, such as ADAS and products for the battery electric drivetrain. There have recently been a number of IPOs in these automotive technology segments in the United States with valuations that are significantly higher than those of traditional automotive suppliers. This valuation gap has led to a shift towards technology-related transactions in the automotive sector.

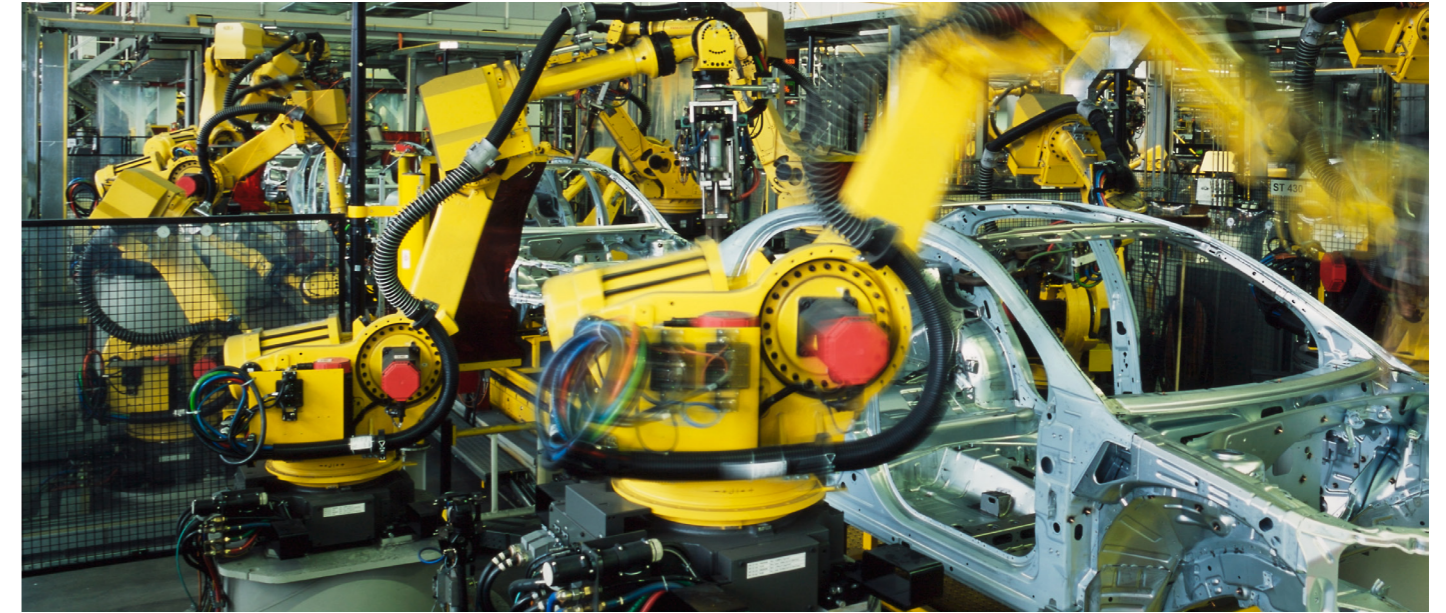
Selling businesses or stakes in technology companies with strong growth potential has therefore become an option on the corporate agenda, especially when targeting short-term improvements in leverage.

Fig. 3: Trailing EV/EBITDA valuations of a selected peer group of European automotive suppliers - average and bandwidth



Companies included in the peer group consists of ten listed European automotive suppliers active in fluid management systems, metal and drivetrain components

Source: CapitalIQ

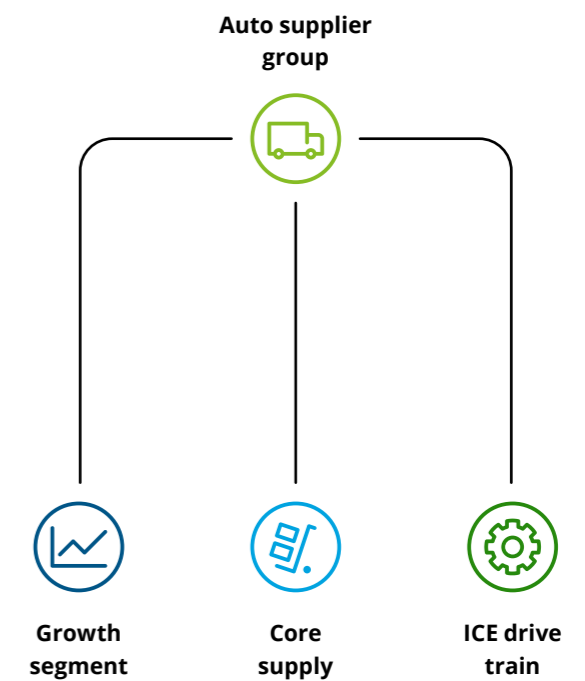


Preparing for obsolescence

When looking at the value or cost composition of a standard volume car, the components for the ICE drivetrain account for approximately one third of overall costs. This number shows the impact regulatory change will have on many suppliers. Preparing the business portfolio of suppliers active in the ICE drivetrain value chain is therefore a key, long-term task for management teams.

A typical supplier group offers various product groups as shown in figure 4. As the industry undergoes transformation, we will see very different development paths for these product groups. The first step for the supplier group is developing a strategy for each different product group in the business portfolio. Then they can tackle further preparations, including the modularization of sometimes monolithic IT systems or setting up more agile financial reporting systems that can produce monthly and quarterly financial reports.

Fig. 4: Product groups of a typical automotive supplier group



Strategic options during transformation

There are a number of strategic options for OEMs and suppliers to address the upcoming transformation in the industry:

1a Separate and divest

Separating businesses that need to undergo transformation is likely to become a common strategy. This allows the supplier group to develop the business in a different direction than the remaining entities. In many cases, companies don't separate product groups fully in terms of factories (e.g. zebra plants), reporting structures or financial control. These businesses will need to be "carved out" in order to be separated.

Some ICE-related product groups have been and still are very profitable. One typical example is the sealing products business, but selling a business like this for cash has become challenging given that investors will question the future business outlook. The approach taken by a number of listed suppliers has been to separate and spin-off one part by issuing shares in this business to existing shareholders. This option doesn't exist for private companies, so they will need to weigh their strategic options for separation: How can we position the business for investors? What are the development paths for the investor? What is a realistic purchase price in the current market environment? Selling businesses even at a low valuation may have its merits, as it frees up management focus and capital often needed to run the businesses (e.g. for new customer orders).

Financial attractiveness:

Preparation need:

Feasibility:

1b Separate and restructure with external partner

It can be difficult for groups to undertake a "hard" restructuring of a business, with measures such as site closures, because

it may seriously impact relationships with employee representatives – and the supplier group may not have managers with the right experience for such a task.

Another solution is selling to a "special situation" private equity fund, in which the business would be restructured outside of the group under the ownership and the lead of the fund. The supplier group often remains a stakeholder that provides transitional support, finances the cost of restructuring and potentially earns a share of the financial gains from a successful restructuring.

The public has given this type of restructuring the infamous "locust" label, but this type of restructuring has been successful in a number of cases and has often been a good alternative to closing the business. There is a growing number of special situation funds active in the automotive sector and OEMs are used to transactions such as these, though there are certainly individual investors that OEMs would consider as a "no go".

The selling supplier group will need to carefully prepare this type of transaction, by separating the business of course, but also by developing a clear plan for the restructuring process, in particular potential future development paths for the business.

Financial attractiveness:

Preparation need:

Feasibility:

2a Harvest

Given the high degree of specialization, there are some suppliers in the automotive industry that have earned a strong market position with individual products. The stability of these value chains is still an extremely important issue, even when markets are declining. So, with some ICE-related products still generating high profits at the OEM level, OEMs are likely to favor stable suppliers in leadership positions when

awarding orders. This gives suppliers with a strong market position the opportunity to pursue a "harvesting" strategy (see also Deloitte's Automotive Value Chain study series): suppliers maximize cash returns from specific products by limiting capital expenditure and running production as efficiently as possible for as long as they can.

Financial attractiveness:

Preparation need:

Feasibility:

2b Consolidate

In a declining market, merging a business with a competitor to generate cost synergies appears to be a strong option. This strategy therefore takes "harvesting" (see 2a) a step further. The motivation, besides cost synergies, is to expand market share and diversify the business in terms of geography and key accounts. Given that both OEMs and suppliers are aware that a certain product will become obsolete, the supplier has leverage in the price negotiations. Suppliers may even achieve higher financial returns in this scenario thanks to the combination of a higher price, an unusually long product cycle and low capital expenditure.

In terms of the transaction itself, the supplier group may acquire a competitor business (e.g., the counterparty to the company in Strategy 1a) or may merge the business with a competitor. The merger scenario entails keeping the existing shareholders invested and providing additional funding only for the restructuring of the merged business.

Financial attractiveness:

Preparation need:

Feasibility:

3 Adapt

Even ICE-related businesses will have an opportunity to adapt their plants and/or products into related areas. In terms of

products, the aftermarket will be highly sought after, but there is limited space and there are already several suppliers in this area. First movers will have a distinct advantage in the limited aftermarket space.

The supplier industry has been very successful with gradual improvements. There is no indication so far that taking more radical steps toward innovation would lead to failure. It will become vital for suppliers to take more radical steps if they want to transform their businesses without corporate restructuring. Gradual shift of their business portfolio away from traditional business divisions to business divisions covering the CASE (Connected, Autonomous, Shared, Electrified) subjects allow for a transformation of the company without a strong immediate impact on the employees.

Financial attractiveness:

Preparation need:

Feasibility:

4 Acquire

Developing a new market segment organically can be difficult and time-consuming. The alternative is to acquire a business and shift existing production capacities for a declining product into this new market segment. Acquisitions in this context typically focus on industrial applications with higher volumes. However, industrial companies tend to be more expensive than automotive suppliers in terms of valuation multiples, and there is a limited supply of suitable targets.

Financial attractiveness:

Preparation need:

Feasibility:

5 Close down

Closure is probably the least financially attractive option for suppliers, because it is the most expensive one. Of course, in

contrast to all other options mentioned above, closing down does not require a third party to succeed; it can be executed start to finish under the supplier's own control.

Suppliers may be able to delay closure somewhat by maintaining the status quo and gradually winding down the business. In order to do so, however, the supplier group will still need to invest in new projects to keep capacity utilization at a financially acceptable level. As the wind down progresses, the time will eventually come when the business or plant is simply too expensive for the supplier to operate and closure becomes unavoidable.

Financial attractiveness:

Preparation need:

Feasibility:

Each of the strategic options shown above has very different financial implications, necessary preparations and chances of success for the companies.



Necessary preparations

There are a number of necessary steps and hurdles to overcome when preparing a business unit for sale, separation or merger. Suppliers will need to prepare a strategy in terms of organizational and reporting structures and overcome stakeholder management obstacles

Employees

The codetermination rights of employee representatives in European countries have increased relative to other continents, which often impacts the automotive industry in particular, where metal workers unions have a great deal of influence. There are a wide variety of codetermination rights that impact all of the options above, from business transformation and separation to restructuring programs or mergers. Employee representatives tend to object to the separation of business units with a potentially uncertain future. Structural changes require the buy-in of employee representatives, who are typically reluctant to support any modifications that might include hidden layoff scenarios. The same applies to the merger scenario, where staff fear job cuts resulting from synergy effects. Even the relevant jurisdiction can effectively block a deal, for example where employees in certain jurisdictions have the right, but not the obligation, to transfer with a business sold as an asset deal. For prospective purchasers, this poses the risk that key personnel may elect not to transfer with the business. That is why it is so important to carefully examine the staff solution up front and become aware of the consequences for all conceivable options before you start to define your strategy. The repercussions of an HR solution may have such a fundamental impact on the new strategy that it becomes THE issue driving how you select your business realignment option.

Two steps that are essential when you start your transformation journey are: securing the early involvement of all necessary committees and building trust through transparent communication about project plans to codetermining bodies and employees. We recommend that you openly address the future scenario as a common challenge, and endeavor right at the start of negotiations to find a shared solution to compensate or mitigate the economic hardships for employees affected by the company transformation. Targeted negotiation planning in advance will do much to facilitate drawn-out negotiation procedures and avoid rigid confrontations. The factors critical for success are careful preparation, observance of agreed deadlines and the diligent definition of the negotiation strategy and its going-in position.

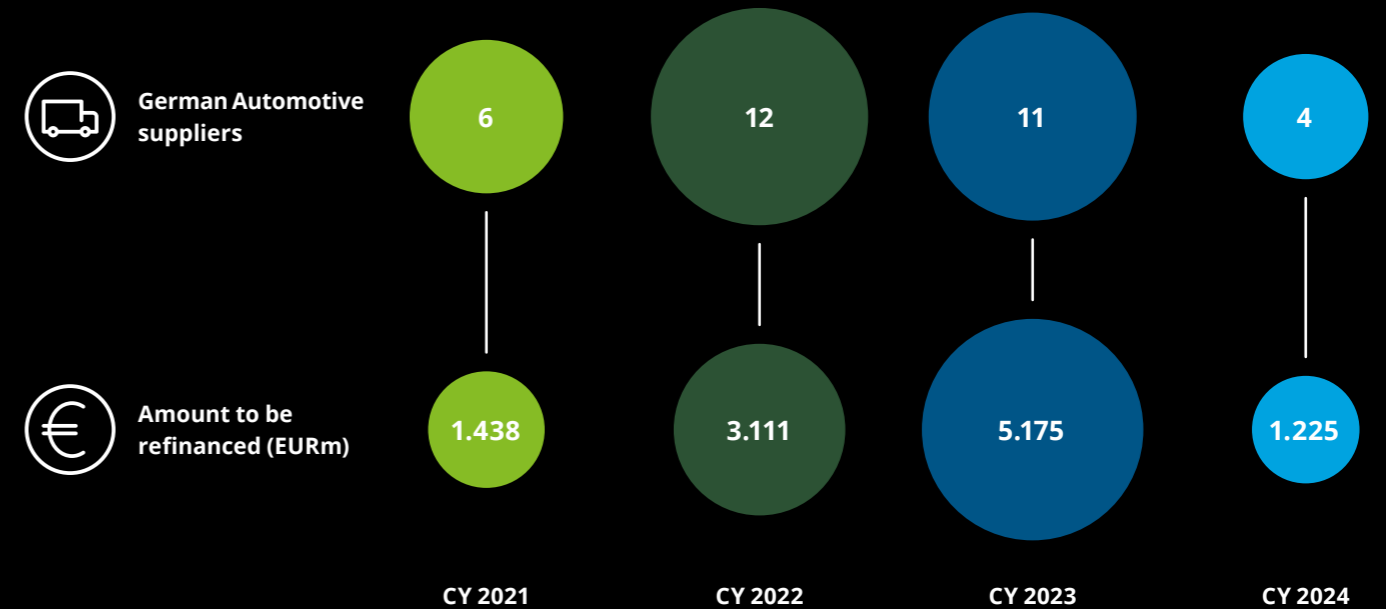
Financing partners / Banks

Automotive suppliers, especially those in Europe, tend to rely on bank loans as a key source of funding. Funding structures such as syndicated loan agreements generally include covenants and limitations on any amendments to the company's group structure. As a result, any separation of a larger business unit with the aim of partnering with a competitor would require the consent of the financing banks. Companies may even have to completely refinance their loans where larger businesses are involved, as a bigger share of the company would no longer serve as collateral for the loan. From 2014-2016, we saw a trend toward setting up syndicated loans among private mid-sized automotive suppliers. A number of these loans were amended and extended in 2017 and 2018 with an average

maturity of five years, in anticipation of the forthcoming changes in the industry. Supplemental COVID-19-related funding has often been structured as an extension to an existing loan agreement. As a result, we can expect a new wave of refinancing in the automotive supplier industry to take place in 2022/23.

The future strategy of the business will be a key issue in negotiations with financing partners, particularly for companies with a larger share of ICE-related business. If there appears to be value in separating certain businesses, it makes sense to tackle the separation and the refinancing at the same time (especially to avoid separating the business after refinancing).

Fig. 6: German Automotive suppliers with syndicated loans (maturities and volumes)



Source: Deloitte analysis

Organizational and financial reporting structure

Most automotive suppliers have seen their operational, legal and functional structures grow both organically and inorganically over time. As such, these structures typically manage and support large parts of the portfolio without being dedicated to a specific dimension, whether it is product groups, plants or reporting units. This applies in particular to the production and R&D footprint in what are called “Zebra locations”. These plants focus on a variety of product groups in a highly integrated fashion to leverage scale effects, defining reporting and controlling structures and the subsequent financial figures at the business unit level. Costs below the gross margin are often shared and not strictly allocable to a particular product group.

When a business (i.e., product group, plant or business unit) is separated, any relevant substance related to that business must be identified and assigned; it is not possible to maintain a structure in which specific costs are allocated to or assets shared with the separated business. This applies to all functions along the core dimensions – people, assets, terms, processes, IT systems and infrastructure. The separation is referred to as a “carve-out”.

With a view to a transaction, the key question is whether you execute the full carve-out internally before you make the deal, or whether you develop a carve-out concept and only carve-out what is absolutely necessary once it is clear where the business will find its “new home”, i.e., who the ultimate investor is. There are pros and cons to each approach. Some investors may prefer to take over a business that has already been fully separated and can function on a stand-alone basis. Others may prefer to have some flexibility as to the way

the carve-out is done. In the latter, the seller may first want to do a scenario analysis to determine how different carve-out decisions would affect the remaining group and the overall supply chain. This will give the supplier a leg up in the negotiations, as neither extreme is typically feasible in terms of cost, timing or OEM consent. Suppliers would be well advised to consider all possible impacts, so as to avoid costly mistakes. Tools like the Deloitte.Engine allow clients to run scenario analyses to test the best carve-out parameters taking into account a design-to-cost approach when it comes to designing the target operating model of the carve-out.

Tax

Any restructuring at the group level, and as such any separation of businesses, will have a tax impact that can, under certain circumstances, render a transaction impossible. And unlike the benefits of restructuring, which may generate cash inflows in the future, a tax bill affects your bottom line immediately. As a result, assessing the potential tax implications of your strategy is a major factor in any corporate restructuring. You need to evaluate each alternative scenario in terms of its likely tax impact and any potential residual tax risk. Putting in place certain mitigating measures may help you avoid tax risk to some degree.

Customers

OEMs are well used to changes in their supply chain and tend to track developments at their suppliers through their inhouse risk departments/teams. That said, there are some investors in automotive suppliers that OEMs consider objectionable.



A dynamic view of consolidation

With only a limited supply of attractive options, a big factor in suppliers' decisions on consolidation will be what "others" do.

Individual market structures

The automotive supplier industry can be broken down by product group. The task of developing and producing capital-intensive, technologically innovative and highly demanding products, many of which are safety-critical, and doing so at scale and on a global level has created an industry of highly specialized, cost-focused multinational companies. Given these conditions, there are often only a limited number of suppliers that can compete in certain product groups.

The following charts show the market structures of key ICE-related product groups. There are three key takeaways from these market structures: sales levels of competing companies do not deviate significantly; though the number of relevant suppliers is limited, OEMs still have sufficient choice; and all of these businesses – though they are active in an industry with sales in the multi-billions – can be classified as mid-market.

Fig. 7: Market structure and sales volume (EURbn) of automotive sealing products*



Fig. 8: Market structure and sales volume (EURbn) of automotive fluid management systems*

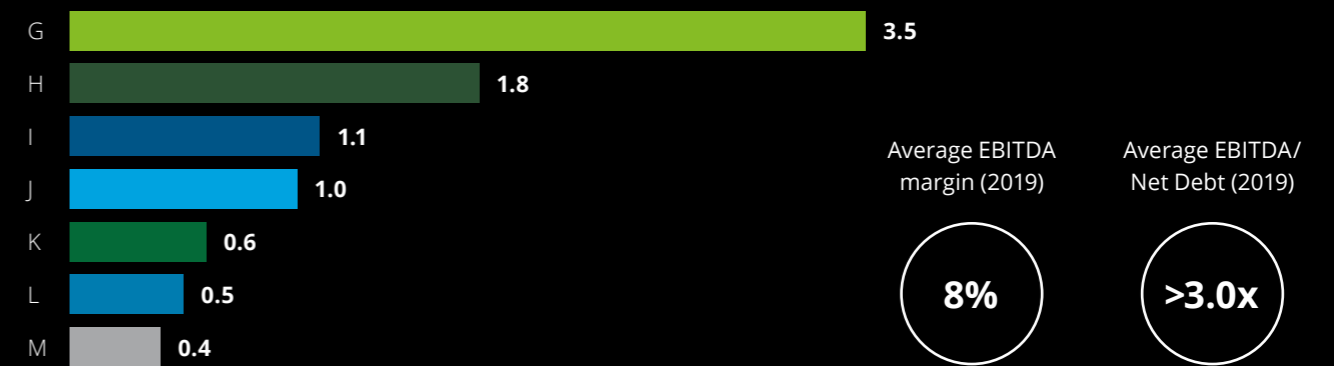
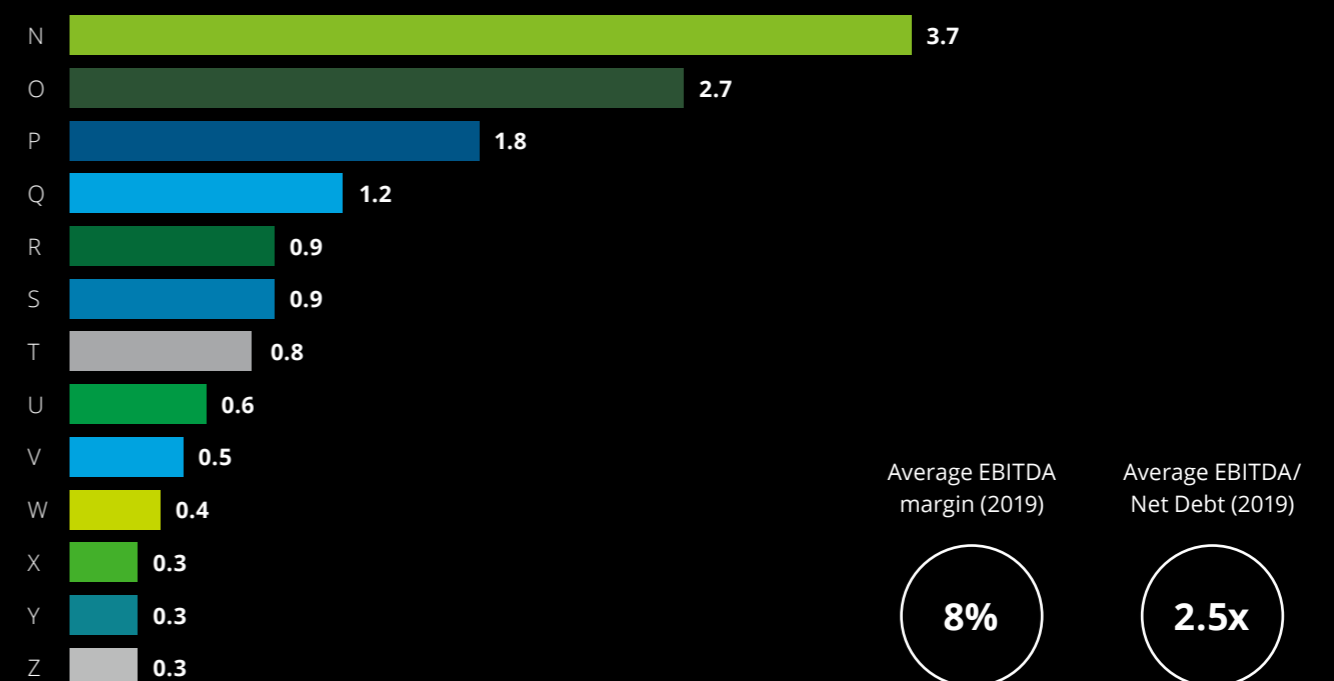


Fig. 9: Market structure and sales volume (EURbn) of automotive aluminium cast ICE products*



Source: Deloitte analysis

* Leading companies by sales in the respective product segment, anonymously referred to as A to Z

The consolidation dynamic

There have always been “waves” of M&A activity and consolidation in the automotive supplier industry. They often involved product segments that were considered “hot” by the OEMs, for example the automotive electronics segment, electrification auxiliaries and, more recently, ADAS-related products. One strategic rationale for M&A activity has often been for suppliers to enter these so-called “hot” product segments in order to share in the growth potential and to use these “hot” products to leverage their bargaining power vis-à-vis the OEM for the remaining portfolio.

As a key motivation for consolidation, suppliers are looking to increase market share in certain attractive product segments, to establish an active presence in key regional markets, to diversify their customer base and to be able to offer OEMs a leading mix of technology solutions for their respective product. Aspects such as geography, customer split and technology are often key criteria when assessing strategic merger scenarios. Another strategic rationale is enabling synergies, in particular to optimize their production footprint. Automotive suppliers tend to generate earnings in highly efficient plants rather than through technologically superior products that justify a price premium. Restructuring plants with non-competitive cost structures and/or less experienced staff is therefore a key driver for improving profitability. Combining businesses with a competitor puts this into a strategic context and can help suppliers to take necessary but unpopular steps.

When you consider the criteria for selecting a partner, it quickly becomes clear that you only have a few attractive merger candidates. Some of them may already be competing with you on this limited field and may (as it has a similar geographical and customer set-up) have the same best merger option as you.

1 1st phase

The most compelling strategic combinations tend to happen in the first wave. This often also translates into the most attractive (valuation) terms when selling a business to a consolidator.

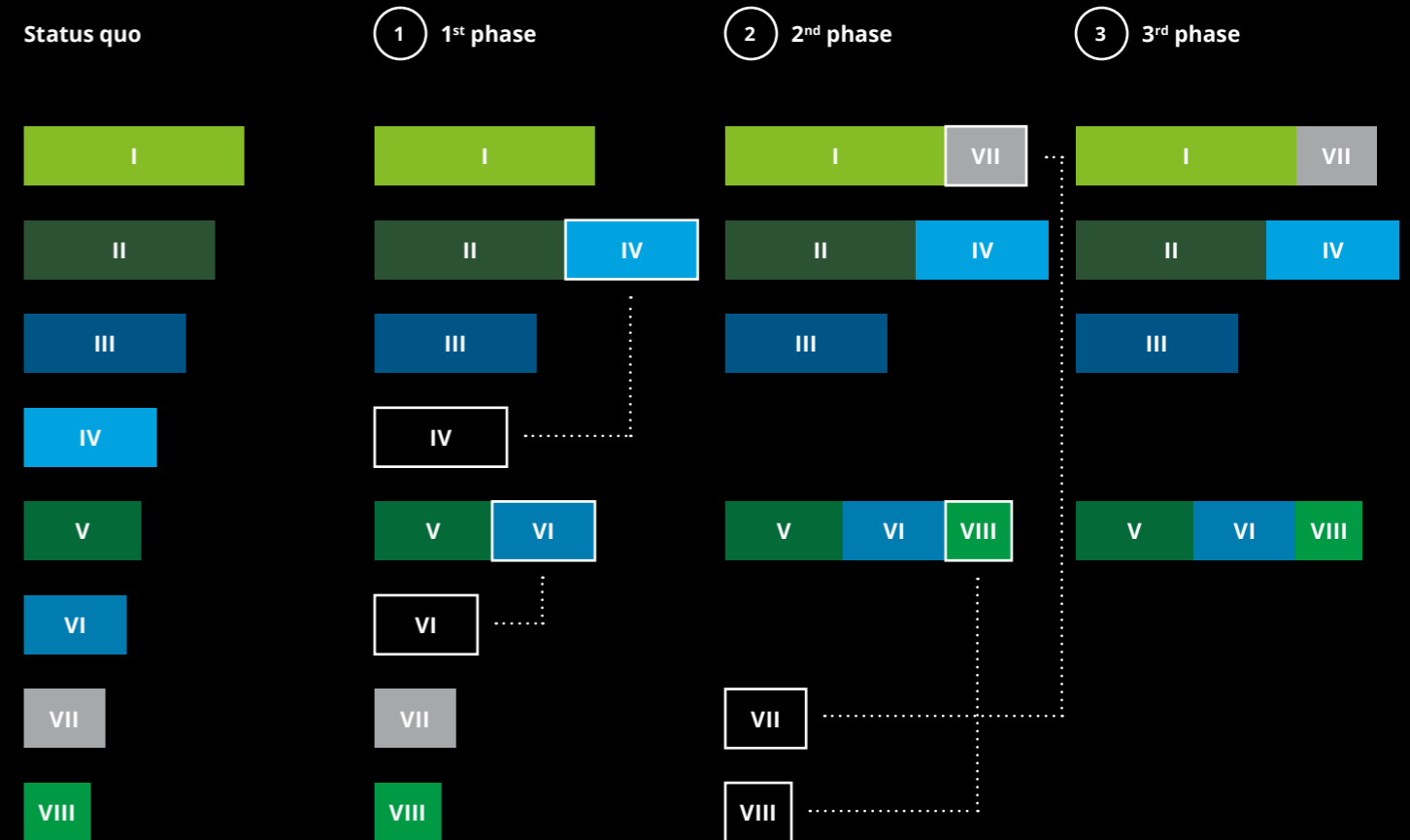
2 2nd phase

Deals from the first phase tend to trigger further transactions, a) because the transaction is seen as an innovation in terms of the business combination and b) because companies may feel the need to act so as not to be left out.

3 3rd phase

In the last phase, companies may find that deals with a compelling rationale in terms of strategy and financials are often no longer possible. As the example in figure 10 shows, Company III is left out, because there are no more realistic and attractive combination opportunities.

Fig. 10: Waves of consolidation



There are certain strategies associated with and discussed by key investor groups that will likely play a role in the transformation of the supplier industry.

Who will drive the change?

Prioritizing consolidation is essentially an investment decision. The expected financial returns from acquiring and optimizing your businesses undergoing transformation need to justify the capital allocation. There are certain strategies associated with and discussed by key investor groups that will likely play a role in the transformation of the supplier industry.

Automotive suppliers – the “last man standing” strategy

Suppliers that are active in product segments with a high level of market concentration are open to the “last man standing” strategy. It is obvious that where product segments are declining, fewer suppliers will ultimately be needed. The benefit of investing in expanding market share lies in better pricing power. Clearly the internal combustion engine will be prevalent for years to come in passenger cars and even more so in the commercial vehicle and off-highway market segments. Having a market leading product in this segment could, therefore, still generate significant cash.

The alternative to acting as a consolidator is to combine businesses in a joint venture. OEMs have been more likely to

engage in joint ventures than in straight acquisitions over the past few years. The advantage of a joint venture is that you share the investment required to generate potential synergies. Where this scenario becomes more difficult is on the corporate governance side. We can expect joint venture structures to emerge in highly capital-intensive yet stable product groups such as automotive metal structures.

Private equity – the “roll-up” strategy

Private equity has had quite limited engagement in the automotive segment in the recent past. One key reason for this is that historically suppliers have to invest upfront when they receive a new order. This reduces cash conversion rates and therefore the potential to use debt funding to pay for acquisitions.

Besides leveraged buy-out investors, there is a growing number of so-called special situation funds that rely less on leverage and engage more actively in the operational management of the companies they acquire. We believe it is very likely that these special situation funds will play a key role in the transformation and consolidation of certain product segments. The strategic interest of these private equity funds will be to establish larger groups

with strong market share, optimized cost structures and further development potential.

Wind-down scenarios in which a financial investor manages a business with declining sales are likely to be rare. In Germany, a financial investor supported by the unions is being set up for this purpose under the name “Best Owner Group”.

New market entrants – the “value play” strategy

For businesses with limited development potential that still offer attractive cash generation potential and a low valuation, there will be so-called value investors interested in acquiring the seller’s production knowledge, brand legacy and still strong market position. These “value play” investments will likely focus on niche segments still offering a future that transformation will impact less negatively than currently foreseen.

Value play investors tend to have a long investment horizon and are often private mid-market industrial holding companies.

Timing

The situation some suppliers may find themselves in is a lot like the children’s party game of “Musical Chairs”.

They dance and dance around a circle of chairs until the music stops and everyone has to find an empty chair. The trick is, there is always one more dancer than there are chairs and someone will be left without one. We believe automotive suppliers will have good opportunities to transform their businesses to the new market environment, but there will be fewer and fewer opportunities as time goes by – before you know it, all the chairs will be taken.

A good example of this can be found in a product segment closely related to the ICE. We believe there will be attractive business opportunities in the aftermarket segment for incumbent original equipment suppliers. That said, given the size difference between the aftermarket and the original equipment market, these opportunities will be limited, and suppliers will need to get into position early. The same applies to the kind of consolidation opportunities that enhance value.



Summary

We are convinced that automotive suppliers will have ample opportunity to actively manage the industry's inevitable transformation.

We also know, however, that not all suppliers and product segments will have the opportunity to protect their value during the transformation. That is why it is so important for companies that actually have opportunities to act on them and for businesses under transformation to actively develop new strategies.

preserving value as business volume slowly declines – just like the number of “Musical Chairs” in the circle. In fact, we expect the most compelling opportunities to be snapped up one by one over the next three to five years. As we have seen in the tech industry, first movers will have a distinct strategic advantage as the doors to various strategic options begin to close.

The drive towards electric drivetrains in particular has accelerated the timeline. Suppliers cannot expect to have a path to

Our offering

Industry transformation is a challenge for automotive suppliers in particular. Now is the time to make the critical decisions that will impact your company's future development.

These decisions will require an in-depth analysis of the market potential, the financial consequences and the feasibility of each strategic scenario.

You can rely on Deloitte as a leading global professional services firm to

provide further insight into market developments at the product and geographical level. Our multinational and multidisciplinary team can provide all of the services you need to take the decisions that will ensure a successful business transformation.

We hold the highest standards of ethics and confidentiality, and we are committed to serving the automotive industry. Let us play a part in your company's corporate journey and ensure your transformation is an unqualified success.

Fig. 11: About Deloitte's automotive supplier practice



Our expert team

Harald Proff

- Global Automotive Lead
- More than 25 years of consulting experience in industry and private equity

Goetz Grundmann

- Financial Advisory Automotive Lead Germany
- More than 20 years of experience in M&A and financial advisory

Jochen Funk

- Automotive Consulting Lead France
- More than 25 years of experience in automotive industry and consulting

+ experienced senior consultants



Tools to use

- Carve-out: Deloitte.Engine
- Financial Analytics PII Suite
- Leading M&A Advisor
- Global Deloitte Network



Assets - ready to use

- Global Deloitte e-mobility forecast
- Study series about AVC (Automotive Value Chain) transformation
- POV cutting CO₂ emissions from passenger cars
- 2020 Global Automotive Consumer Study



Enablers to accelerate

- Digitalization of processes, products and business models
- Modularization of IT and finance: modular multi-business approach

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